

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date:	February 13, 2012
	Agenda Item No.	28
	Roll Call No.	[_____]
	Communication No.	<u>12-047</u>
	Submitted by:	William G. Stowe, Assistant City Manager – Public Works Director

AGENDA HEADING:

Amendment to the 28E Agreement with Metro Waste Authority (MWA) for the operation of a Compost Facility for the collection and processing of yard waste materials.

SYNOPSIS:

On November 6, 2000, by Roll Call No. 00-4288, the City Council authorized staff to negotiate a 28E Agreement with the MWA for lease and operation of the City’s Harriett Street Compost Facility. On March 22, 2010, by Roll Call No. 10-453, the City Council authorized a new agreement for the operation of the Compost Facility to expire March 31, 2020. The MWA wishes to expand their current operation and current lease area by an additional 8.28 acres (30.01 acres total).

FISCAL IMPACT:

Amount: Annual revenue of \$653,000, based on an agreed upon annual lease payment of \$40,000, plus continued payment at the current contracted rate of \$86 per ton for the City’s annual average of approximately 7,500 tons of yard debris delivered to the Compost Facility.

Funding Source: 2011-2012 recommended Operating Budget, Fund EN151, Org PWK100101, Solid Waste Operations Fund, page 263.

ADDITIONAL INFORMATION:

In 1989, the State of Iowa passed legislation which prohibited landfill disposal of yard debris. The law went into effect January 1, 1991. To comply with this law, the City initiated a separate collection of yard debris for residential properties and constructed a yard debris processing facility known as the Harriett Street Compost Facility.

The agreement with the MWA for operation of the Harriett Street Compost Facility until March 31, 2020 provides for: the MWA will pay the City of Des Moines \$86 per ton of yard waste delivered to the Harriett Street Compost Facility, and a lease payment of \$40,000 will be paid annually by the MWA to the City of Des Moines for the term of the lease.

The amendment will allow the MWA to expand operations of the Harriett Street Compost Facility, allowing for more compost storage and more yard debris processing. Required improvements will be completed by the Department of Public Works with associated expenses to be reimbursed by the MWA.

On November 16, 2011, the MWA approved the amendment of the agreement by Resolution 12-11-07, and Council approval is now recommended.



**LEASE WITH METRO
WASTE AUTHORITY**

PREVIOUS COUNCIL ACTION(S):

Date: March 22, 2010

Roll Call Number: 10-453

Action: [On](#) lease of 1601 Harriett Street to Metro Waste Authority for operation of a program to collect and process yard waste materials, \$40,000 annually for 20 years and approval of amending service agreement for such lease and operation. ([Council Communication No. 10-152](#)) **Moved by Coleman to adopt. Motion Carried 7-0.**

Date: March 8, 2010

Roll Call Number: 10-350

Action: [On](#) 20-year lease of 1601 Harriett Street to Metro Waste Authority for operation of a program to collect and process yard waste materials, \$40,000 annually (3-22-10). **Moved by Hensley to adopt. Motion Carried 7-0.**

Date: May 7, 2007

Roll Call Number: 07-882

Action: [Annual](#) Agreement with Metro Waste Authority for operation of a program for the collection and processing of yard waste materials. ([Council Communication No. 07-254](#)) **Moved by Vlassis to adopt. Motion Carried 7-0.**

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Hold hearing on February 27, 2012.

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